

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7019

BILL NUMBER: SB 414

NOTE PREPARED: Apr 28, 2009

BILL AMENDED: Apr 9, 2009

SUBJECT: Charity Gaming.

FIRST AUTHOR: Sen. Leising

FIRST SPONSOR: Rep. VanHaaften

BILL STATUS: Enrolled

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) *Charity Gaming Patron Information:* The bill provides that a charity gaming patron is not required to submit and a qualified organization is not required to obtain certain information unless the patron wins at least \$250 on a pull tab, punchboard, or tip board game or the qualified organization is required to report the patron's winnings to the Internal Revenue Service for federal income tax purposes. It also provides that an administrative rule that requires a patron to submit or a qualified organization to obtain, record, or report information that is inconsistent with these provisions is void.

Charity Gaming Supplies: The bill specifies that certain reusable licensed supplies are not subject to the requirement that licensed supplies be obtained from licensed manufacturers or distributors.

Charity Gaming Workers: The bill allows an individual to be an operator for three qualified organizations in a calendar month. (Current law limits an individual to serving one qualified organization per month.) The bill specifies when a worker at a festival event may participate in gaming activity offered at the festival. It permits an individual who is a member of a qualified organization to participate as a worker at allowable events held by other qualified organizations.

Effective Date: January 1, 2009 (retroactive); July 1, 2009.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary-*Allowing a qualified charity gaming organization to borrow reusable supplies, devices, or equipment from another qualified charity gaming organization could reduce the amount deducted from gross revenue for purposes of computing the charity gaming license fee. This

could potentially result in an organization having higher adjusted gross revenue and paying a higher annual renewal fee. Any potential revenue gain from this provision is likely to be minimal.

Background Information- Annual renewal fees for charity gaming licenses range from \$50 to \$26,000 depending on the adjusted gross revenue earned by an organization on charity gaming in the prior year. Adjusted gross revenue is the gross revenue minus the total of prizes, purchase prices for supplies, charity gaming license fees, advertising expenses, and \$200 per day for facility rent.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Jim Landers, 317-232-9869.